UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL ADJUSTMENT ADMINISTRATION NORTH CENTRAL DIVISION

April 20, 1939.

MEMORANIUM TO COUNTY AGRICULTURAL CONSERVATION ASSOCIATIONS

Re: Commercial Corn Area

Attached is a map showing the counties included in the commorcial corn area in 1939, with various shadings to indicate those counties which were designated as commercial corn counties for the first time in 1939, as well as those which were in the commercial area in 1938 but are not in 1939. All counties within the heavy hatched line are designated as commercial corn counties in 1939. Cross-hatched counties are designated as commercial counties in 1938. The dotted counties were designated as commercial counties in 1938 but are not so designated in 1939. In 1938 a total of 566 counties were designated as commercial corn counties; in 1939 there are 586 counties so designated.

The 1938 A.A.A. law sets out the method of determining which counties shall be included in the commercial corn area in connection with the farm program as follows: "Commercial corn-producing area shall include all counties in which the average production of corn (excluding corn used as silage) during the ten calendar years immediately preceding the calendar year for which such area is determined, after adjustment for abnormal weather conditions, is four hundred and fifty bushels or more per farm and four bushels or more for each acre of farm land in the county." In addition, bordering counties which contain townships likely to meet these requirements are included in the area.

You will note that counties are designated in the commercial corn area when their production is enough to indicate that they will produce corn on a commercial basis. Therefore, you can readily see that if other counties increase corn production in excess of their normal plantings and increase sufficiently to meet the requirements as set out in the law, they will automatically be determined to be in the commercial corn area, regardless of their location in any State.

This map further indicates the commercial corn area in which corn loans shall be available at the full rate to cooperators in the farm program. The amount of the loan is determined by a formula. The corn loan rate as determined by this formula for 1938-39 was fifty-seven cents per bushel. Corn loans were available to cooperators in the farm program outside of the commercial corn area at seventy-five

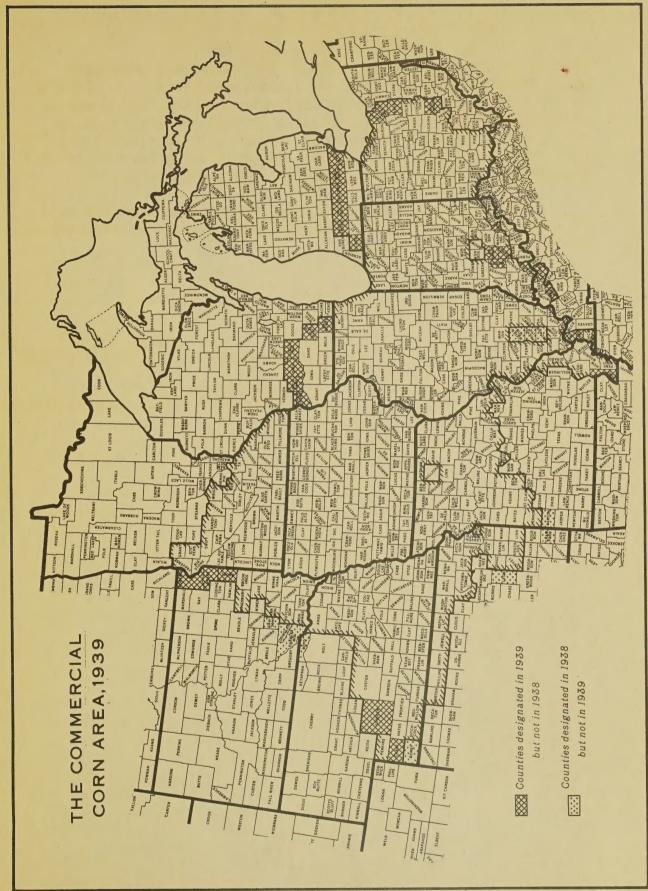
percent of the cooperator's rate in the commercial corn area, which under the 1938-39 loan was forty-three cents. In addition to the corn loans available to cooperators in the farm program, a corn price adjustment payment will be made to farmers who do not plant in excess of their corn acreage allotment under the 1939 farm program. These price adjustment payments on corn are available only to farmers in the commercial corn area.

This map should be filed with other information you have received on the program for your use and reference in explanation of the 1939 farm program.

Claude R. Wickard

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Director, North Central Division.



U. S. DEPARTMENT OF AGRICULTURE

